GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:5597
ANSWERED ON:24.04.2001
PRICE OF IMPORTED UREA
UMMAREDDY VENKATESWARLU

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the details of present price of urea;

(b) whether the imported urea is cheaper at the moment due to present level of tariff on import;

(c) if so, whether the Government propose to enhance the import tariff on urea after April, 2001; and

(d) if so, the details thereof?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA)

(a) : The weighted average retention price (cost of production plus 12% post tax return on net worth) of urea produced by domestic manufacturers as notified in March 2001 was Rs.8150/- per tonne of urea.

(b) to (d) : The delivered prices of imported urea in the past few years have been generally lower as compared to indigenous urea. The Tariff rate on urea at present is 5%. Under the Export and Import Policy announced on 31.3.2001, the import of urea has been placed under a State Trading Enterprise(s) arrangement from 1.4.2001. The imports are allowed only through State Trading Corporation of India (STC), Minerals and MetalsTrading Corporation Ltd. (MMTC) and Indian Potash Ltd. (IPL) subject to some conditions given in the EXIM Policy.The Director General of Foreign Trade may,however, grant a license to any other person to import urea.